

OVERVIEW OF BUDGET

DEPARTMENT: PUBLIC HEALTH
PROGRAMS ADMINISTRATOR: JIM FELTEN

	2003-04				
	<u>Appropriation</u>	<u>Revenue</u>	<u>Fund Balance</u>	<u>Local Cost</u>	<u>Staffing</u>
Public Health	73,611,885	72,967,163		644,722	921.3
California Children's Services	10,723,433	9,185,392		1,538,041	145.0
Indigent Ambulance	472,501	-		472,501	-
Cajon Pass	112,359	81,800	30,559		-
Total	84,920,178	82,234,355	30,559	2,655,264	1,066.3

BUDGET UNIT: PUBLIC HEALTH (AAA PHL)

I. GENERAL PROGRAM STATEMENT

The Department of Public Health provides a wide range of services to prevent diseases and improve the health, safety, and quality of life for the residents of San Bernardino County. The department operates 36 different programs divided among four areas of Public Health: 1) Preventive Medicine Services, 2) Community Health Services, 3) Environmental Health Services, and 4) Administrative Support Services. Programs (many which are mandated by the State Health and Safety Code) are funded by state and federal grants, local fees, and general fund support.

II. BUDGET & WORKLOAD HISTORY

	<u>Actual 2001-02</u>	<u>Budget 2002-03</u>	<u>Actual 2002-03</u>	<u>Budget 2003-04</u>
Total Requirements	63,629,939	73,675,031	69,945,977	73,611,885
Total Financing Sources	62,793,170	73,020,711	69,436,828	72,967,163
Local Cost	836,769	654,320	509,149	644,722
Budgeted Staffing		1,100.3		921.3
<u>Workload Indicators</u>				
Patient Visits	95,786	106,065	92,853	107,410
Immunizations	132,012	151,205	118,496	162,000
Lab Examinations	107,212	99,100	110,042	102,550
Home Visits	21,841	32,500	20,918	17,380
Animal Control Responses	403,461	407,000	399,174	400,500
WIC Vouchers Distributed	737,426	747,600	758,168	773,000
Inspections/Permits	46,695	41,560	41,106	40,954

Actual expenditures and revenues are below budget as a result of programs that were scaling back with the anticipation of their elimination in the coming fiscal year. Public Health has a number of MOUs with other Human Services System departments that will be ending as a result of funding cuts within the HSS social service departments. The severe drop in actual and budgeted home visits reflects the budget cuts associated with HSS MOU reductions and other lost grant funds.

III. HIGHLIGHTS OF BOARD APPROVED CHANGES TO BUDGET (see attachments for detailed changes)

STAFFING CHANGES

Overall, budgeted staffing is reduced by 179.0 positions. Within base year adjustments, budgeted staffing is decreased a net of 0.9 as a result of implementing the 4% spend down plan and 30% cost reduction plan which deleted 1.9 positions and approving the AIDS Master grant which added 1.0 position. In mid-year adjustments the Board approved an increase of 1.0 in budgeted staffing netting an increase of 1.9 budgeted staff in the Board Approved Base Budget. Within the Public Health Department, all county general fund dollars go toward the animal control program; as a result all impacts resulting from the 4% and 30% budget reduction plans occur in that program.

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Staffing is then reduced by a net 181.4 or 16.5%. This is primarily the result of two factors: reduced revenue/reimbursements and significantly increased staffing expense due to retirement and MOU increases. Of the 181.4 reduction, 67.4, over 37%, comes from the Maternal Health Program, which was severely impacted by the elimination/reduction of various state and Children and Families Commission grant funds for programs such as "Early Steps," "Earlier the Better," and "Right from the Start." Of the remaining 114.0 reduction, 33.9 occurred in the Perinatal and Adolescent Life program, 8.9 in Child Health, 3.5 in Family Planning, 17.0 in Aging, 17.5 in the Field Nursing program; and 33.2 in various programs. All of these programs experienced revenue declines as a result of the reduction or elimination of grants from both the state and the federal governments, as well as reductions in programs funded through MOUs with other county departments. .

In conjunction with these budgeted staffing cuts the department is developing a layoff plan. Only a minimal number of the 181.4 reduction in budgeted staffing affects filled positions. The department has a high number of vacancies in nursing and education positions due to difficulties in recruiting and retaining these classifications. As a result, vacant positions were deleted and staff from unfunded programs are being reassigned throughout the department. Additionally, the department is working with other county departments to transfer staff from positions that are at risk to other positions in the county. These reassignments and transfers should help the department to keep the layoff plan to a minimal level.

Included in the net decrease of 181.4, the department is also requesting new staff in three programs and four reclassifications. Total new staffing includes a 7.6 increase in our Nutrition program funded entirely by Federal Women, Infants, & Children funds, a 0.2 increase in Child Health for an additional part-time Dental Hygienist for the Dental Disease Prevention program which is entirely state funded, and a 1.9 increase in Reproductive Health for a new Title V federal grant. The nutrition programs staff includes 2.1 Nutritionists, 1.9 Supervising Health Service Assistants, 0.9 Health Service Assistant II, and 2.7 Pre-Registered Dieticians. The Reproductive Health positions include 0.9 Public Health Coordinator and 1.0 Clerk III.

Of the four reclassifications, three are to downgrade positions that are currently being underfilled to the lower classification of the employee that is filling the position. The fourth reclassification is to downgrade an Environmental Health position that has been extremely difficult to recruit at its current classification.

In addition, per Board direction, 5.5 vacant budgeted positions that were not in recruitment were deleted from various programs and 6.0 fee supported positions were approved in the Environmental Health Division

PROGRAM CHANGES

As indicated in the staffing changes section, Public Health saw a number of grants either reduced or eliminated in both the current and coming year. Services and supplies costs and fixed asset expenditures were reduced dramatically in many programs in an attempt to maintain staff for service delivery. Amounts budgeted for transfers have increased slightly as a result of increased lease expenses, administrative support, and EHAP expenses related to an accounting change.

Reimbursements received from other county departments have decreased by \$5,207,973 as a result of dramatically reduced or eliminated MOUs for service, primarily with other HSS departments. The programs affected are: "Youth Self Sufficiency," "STOP" (a Family Violence Prevention program), "Let's Talk" and "Family Planning Access" funds from the Transitional Assistance Department, and the Aging "Personal Care and Services Program" and funding for CalWorks services.

Budget to budget, revenues are decreasing from \$71,458,055 to \$69,259,538 for a net decrease of \$2,198,517. This net reduction is comprised of a number of substantial changes. Child Health clinical services have been eliminated due to a restructuring of the program by the State resulting in a loss of \$261,000 in revenue. The Child Health functions will continue to be provided within the county by private providers. A Children and Families Commission grant, the "Early Steps" Program, has ended resulting in a decrease of \$3,585,392 in budgeted revenue. The loss of the Children and Families Commission grant was compounded by the fact that those funds were used to obtain matching funds from the State Maternal and Child Health (MCH) program. That loss of matching funds then led to a further loss of \$1,301,560 in MCH funds. A Field Nursing program, "The Earlier the Better," has ended causing a revenue decrease of \$715,600. Other reductions include an accounting change that shifts how Bio-Terrorism revenue (\$949,043) is recognized from revenue to operating transfers in and miscellaneous decreases (\$352,528) across various programs.

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Revenue increases partially offsetting the reductions above includes \$126,000 in base year adjustments and \$2,236,406 in mid-year adjustments. Almost all of this mid-year increase is the result of increases to our Women, Infants & Children (WIC) program. Other increases include \$800,000 for a federal Special Projects of Regional and National Significance grant for abstinence education and a \$1,804,200 expansion of our state Targeted Case Management (TCM) activities.

The increase in TCM is designed to help offset the severe reduction in programs funded by MOUs with other HSS departments. As indicated in a recent consultant study by Maximus, many of the services offered under those programs included a significant case management component that is eligible to be time-studied and claimed under the State's TCM program. Through this approach, the department plans to sustain key services by seeking state funding allocated for case management services provided to public health clients. The TCM program activities will begin July 1, 2003. However, the required time-study, reimbursement rate setting by the state, and program approval by the state do not occur until October, November, and December respectively. Should some or all of our program be denied by the state, it is likely the department would need to implement further staff reductions and use some one-time realignment funds to cover the expenses for the first half of the year for those portions of the program that are not approved.

Operating transfers in are increasing to pay for the bio-terrorism program. Positions approved in the 2002-03 year are being filled and the program is getting off the ground resulting in increased expenditures and transfers in to support this program.

GROUP: Human Services System DEPARTMENT: Public Health FUND: General AAA PHL			FUNCTION: Health & Sanitation ACTIVITY: Health		
	2002-03 Actuals	2002-03 Approved Budget	2003-04 Board Approved Base Budget	2003-04 Board Approved Changes to Base Budget	2003-04 Final Budget
<u>Appropriation</u>					
Salaries and Benefits	49,822,614	54,873,157	60,026,224	(7,587,088)	52,439,136
Services and Supplies	24,237,968	25,028,310	27,169,627	(5,106,744)	22,062,883
Central Computer	463,669	524,709	430,079	-	430,079
Equipment	238,069	344,900	292,900	(207,900)	85,000
Transfers	2,397,127	2,591,914	2,573,112	501,661	3,074,773
Total Exp Authority	77,159,447	83,362,990	90,491,942	(12,400,071)	78,091,871
Reimbursements	(7,999,464)	(9,687,959)	(9,687,959)	5,207,973	(4,479,986)
Total Appropriation	69,159,983	73,675,031	80,803,983	(7,192,098)	73,611,885
Operating Transfer Out	785,994	-	-	-	-
Total Requirements	69,945,977	73,675,031	80,803,983	(7,192,098)	73,611,885
<u>Revenue</u>					
Licenses & Permits	6,010,784	6,727,755	6,727,755	255,248	6,983,003
Fines & Forfeitures	283,022	245,000	245,000	5,000	250,000
Taxes	98,328	122,000	122,000	-	122,000
Current Services	8,834,468	10,763,540	10,962,540	(4,535,326)	6,427,214
State, Fed or Gov't Aid	38,479,789	39,794,971	46,399,921	(4,934,979)	41,464,942
Other Revenue	122,004	230,700	230,700	(127,010)	103,690
Realignment	13,908,689	13,574,089	13,908,689	-	13,908,689
Total Revenue	67,737,084	71,458,055	78,596,605	(9,337,067)	69,259,538
Operating Transfers In	1,699,744	1,562,656	1,562,656	2,144,969	3,707,625
Total Financing Sources	69,436,828	73,020,711	80,159,261	(7,192,098)	72,967,163
Local Cost	509,149	654,320	644,722	-	644,722
Budgeted Staffing		1,100.3	1,102.2	(180.9)	921.3

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		Total Changes Included in Board Approved Base Budget
BASE YEAR		
Salaries and Benefits	1,540,274	MOU.
	2,736,899	Retirement.
	572,606	Risk Management Liabilities.
	(26,173)	4% Spend Down Plan.
	(87,750)	30% cost Reduction Plan.
	13,000	Approved by the Board October 1, 2003 - AIDS Master Grant which added 1.0 Staff Analyst II.
	17,000	Approved by the Board On January 14, 2003 - HOT SPoTS Funding for Chlamydia testing and screening activities.
	<u>4,765,856</u>	
Services and Supplies	196,122	Risk Management Liabilities.
	48,000	Approved by the Board on September 24, 2002 for Medical Administrative Activities (MAA) claims.
	48,000	Approved by the Board on October 22, 2002 for MAAA claims processing.
	<u>292,122</u>	
Central Computer	<u>(94,630)</u>	
Equipment	<u>(52,000)</u>	30% Cost Reduction Plan.
Transfers	<u>(18,802)</u>	Incremental Change in EHAP.
Revenue		
Current Services	<u>96,000</u>	Increased for MAA contracts.
State, Fed or Gov't Aid	4,883,144	Target setting assumed increase in state and federal revenue.
	30,000	State revenue related to AIDS Master Grant and HOT SPoTS funding.
	(334,600)	SB90 revenue loss.
	(107,000)	SB90 backfill for Animal Control.
	<u>4,471,544</u>	
Realignment	<u>334,600</u>	SB90 backfill for health programs not being paid by the state.
MID-YEAR		
Salaries and Benefits	8,313	Approved by the Board on January 14, 2003 - HOT SPoTS funding for Chlamydia testing and screening activities.
	7,500	Approved by the Board on January 7, 2003 - clasp funding for Chlamydia screening proj.
	338,500	Approved by the Board on February 4, 2003 - Women, Infants, and Children (WIC).
	32,898	Approved by the Board on March 18, 2003 - 5 A Day funding.
	<u>387,211</u>	
Services and Supplies	9,234	Approved by the Board on January 14, 2003 - HOT SPoTS funding.
	5,000	Approved by the Board on January 7, 2003 - clasp funding, added 1.0 Health Svcs Asst I.
	1,764,859	Approved by the Board on February 4, 2003 - WIC funding.
	22,102	Approved by the Board on March 18, 2003 - 5 A Day funding.
	48,000	Approved by the Board on March 18, 2003 - MAA claims processing.
	<u>1,849,195</u>	
Revenue		
Current Services	<u>103,000</u>	Increased services for MAA claims and 5 A Day contract.
State, Fed or Gov't Aid	<u>2,133,406</u>	
Total Requirements Change	7,128,952	
Total Financing Sources Change	7,138,550	
Total Local Cost Change	(9,598)	
Total 2002-03 Requirements	73,675,031	
Total 2002-03 Financing Sources	73,020,711	
Total 2002-03 Local Cost	654,320	
Total Base Budget Requirements	80,803,983	
Total Base Budget Financing Sources	80,159,261	
Total Base Budget Local Cost	644,722	

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Board Approved Changes to Base Budget		
Salaries and Benefits	(1,226,554)	Perinatal Program - HSS MOU reduction for the Youth Self-Sufficiency Program.
	(335,301)	Child Health - changes in state Child Health Program has lead to the elimination of our child health clinical services.
	(2,716,572)	Maternal Health - contract with Children & Families Commission ends June 30, 2003; cuts to state funded Maternal Health Program.
	(957,100)	Aging Program - HSS MOU reduction for the Personal Care Services Program.
	(919,899)	Field Nursing - HSS CalWORKS MOU reduction and the ending of the "Earlier the Better" Program with California State University, San Bernardino.
	(1,031,891)	Increase in vacancy factor due to hiring limitations resulting from the current budget situation.
	(536,882)	Miscellaneous staff reductions across approximately 30 Public Health programs resulting from increased labor costs. This represents a 1% reduction.
	137,111	Net final budget adjustment: delete 5.5 vacant positions and add 6.0 fee supported Environmental Health positions.
	<u>(7,587,088)</u>	
Services and Supplies	(309,771)	Perinatal Program - reduced MOU with HSS for Youth Self-Sufficiency Program.
	(2,313,100)	Maternal Health - contract with Children & Families Commission ends June 30, 2003; cuts to state funded Maternal Health Programs.
	(209,543)	GASB 34 Accounting Change (EHAP).
	(2,388,735)	As a result of increased staffing expenses, many of our programs slashed services and supplies so that they could maintain staff and continue service delivery. This reduction is across dozens of programs. The larger reductions include: Lab (310,500); Environmental Health (290,530); Facilities Management (199,642); Animal Control (181,025); and Emergency Medical Services (92,997).
	114,405	Final budget adjustment: Environmental Health fee supported rent increase.
	<u>(5,106,744)</u>	
Equipment	(207,900)	Most fixed asset purchases have been eliminated from the budget due to financial constraints except for lab equipment associated with bio-terrorism readiness; one unrepairable copier; one computer server; and a replacement embossing machine for maternal.
Transfers	261,956	Anticipated increase in lease payments.
	209,543	GASB 34 Accounting Change (EHAP).
	52,138	Increase in HSS administrative support.
	(21,976)	Minor reduction in interagency agreements.
	<u>501,661</u>	
Reimbursements	2,262,951	MOU reduction with HSS for the Yough Self-Sufficiency Program.
	800,000	MOU reduction with HSS for the STOP Program (a family violence prevention program).
	307,000	MOU reduction with TAD for "Let's Talk" & "Family Planning Access" Programs.
	1,343,627	MOU reduction with HSS for the Personal Care Services Program.
	615,400	MOU reduction for CalWORKIS services.
	(121,005)	Other minor changes spread over many programs.
	<u>5,207,973</u>	
Total Appropriation	<u>(7,192,098)</u>	
Revenue		
License & Permits	(154,769)	Minor reduction in estimated licenses and permits revenue.
	410,017	Final budget adjustment: fee increase to fund 6.0 positions and increased rent.
	<u>255,248</u>	
Fines and Forfeitures	5,000	Minor estimated increase in fines and forfeitures.
Current Services	(3,585,392)	Elimination of the Children and Families Commission "Early Steps" grant.
	(715,600)	Elimination of the "Earlier the Better" grant from CSUSB.
	(234,334)	Other minor changes spread over many programs.
	<u>(4,535,326)</u>	
State, Fed or Gov't Aid	(4,776,144)	When targets are set, expense changes are expected to be funded by increased state and federal revenue. This entry backs out those assumptions and is replaced by the detail of what actually happened in the lines below.
	(949,043)	Bio-terrorism is now budgeted in operating transfer in due to GASB 34.
	(261,000)	Cancelled Child Health clinical services as a result of state funding change.
	(1,301,560)	Reduction in state Maternal & Child Health funding (MCH).
	800,000	New federal SPRANS grant for abstinence education.
	1,804,200	Targeted case management increases as programs shift the cancelled MOUs with HSS to alternate funding streams.
	(92,931)	Other minor changes spread over many programs.
	(158,501)	Final budget adjustment: reduce funding for 5.5 vacant deleted positions.
	<u>(4,934,979)</u>	
Other Revenue	(127,010)	Minor revenue changes spread over many programs.
Total Revenue	<u>(9,337,067)</u>	
Operating Transfers In	949,043	Bio-terrorism previously budgeted as revenue.
	1,195,926	Increased bio-terrorism funding over current year.
	<u>2,144,969</u>	
Total Financing Sources	<u>(7,192,098)</u>	
Local Cost	-	